

ORIGINAL

**BEFORE THE BOARD OF REAL ESTATE APPRAISERS**

**STATE OF IDAHO**

In the Matter of the License of:	)	
	)	Case No. REA-2005-4
RONALD A. CHYNOWETH,	)	
License No. CGA-245,	)	<b>STIPULATION AND</b>
	)	<b>CONSENT ORDER</b>
Respondent.	)	
	)	

REA\Chynoweth\P6017lma

WHEREAS, information having been received by the Idaho State Board of Real Estate Appraisers (hereinafter the "Board") which constitutes sufficient grounds for the initiation of an administrative action against Ronald A. Chynoweth (hereinafter "Respondent"); and

WHEREAS, the parties mutually agree to settle the matter pending administrative Board action in an expeditious manner; now, therefore,

IT IS HEREBY STIPULATED AND AGREED between the undersigned parties that this matter shall be settled and resolved upon the following terms:

**A.**

1. The Board may regulate the practice of real estate appraising in the State of Idaho in accordance with title 54, chapter 41, Idaho Code.

2. Respondent Ronald A. Chynoweth is a licensee of the Idaho State Board of Real Estate Appraisers and holds License No. CGA-245 to practice as a real estate appraiser in the State of Idaho. Respondent's license is subject to the provisions of title 54, chapter 41, Idaho Code.

3. Appraisals in the State of Idaho must comply with the minimum standards set forth in the Uniform Standards of Professional Appraisal Practices ("USPAP").

4. On or about September 25, 2002, Respondent prepared a Market Value Appraisal of the Proposed Recreational Vehicle Resort Located Off Mission and Scott

Streets, McCall, Idaho (hereinafter the “Appraisal”).

5. The Board finds that Respondent’s Appraisal failed to meet the following requirements of USPAP Standards (2002):

a. The “as is” value of the property on the cover page of the Appraisal (\$662,500) differed from the “as is” value located in the report (\$550,000), in violation of Standards Rule 1-1(c).

b. The Appraisal failed to mention a proposed city bypass route approximately two blocks north of the subject and a proposed state bypass route about two miles south of the subject, in violation of Standards Rule 1-4(f).

c. The Appraisal stated that “demand appears strong with very little overall vacancy which affects the pressure applied to the rental rates in the area” but failed to mention that commercial rent rates and residential prices had been flat to declining for almost all of the eight years prior to the appraisal (1994-2002) and that residential prices were just beginning to escalate at the time the Appraisal was completed, in violation of Standards Rule 1-1(c).

d. Respondent used hotels in the area for the income approach for cost estimates and vacancy rates in the Appraisal, without considering cost estimates and vacancy rates for condominium or cabin units or addressing whether such other units would have been more appropriate, in violation of Standards Rule 1-4.

e. Respondent used extremely low payroll and taxes amounts in the operational expenses in the Appraisal, failed to address snow removal, and failed to explain how utilities were estimated although McCall has extremely high water and sewer user fees, in violation of Standards Rule 2-1(b).

f. Although all businesses have a maturing period, the Appraisal reports the market value for “at completion” and “at stabilized occupancy” to be the same without any explanation, in violation of Standards Rule 2-1(b).

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6. The above-stated allegations, if proven, would constitute a violation of the laws and rules governing the practice of real estate appraising, specifically Idaho Code § 54-4107(e) and IDAPA 24.18.01.700. Violations of these laws and rules would further constitute grounds for disciplinary action against Respondent's license to practice as a real estate appraiser in the State of Idaho.

7. Respondent, while denying the allegations, in lieu of proceeding with a formal disciplinary action to adjudicate the allegations as set forth above, wishes to avoid a hearing thereon, and therefore agrees to the discipline against his license as set forth in Section C below.

**B.**

I, Ronald A. Chynoweth, by affixing my signature hereto, acknowledge that:

1. I have read and admit the allegations pending before the Board, as stated above in section A. I further understand that these allegations constitute cause for disciplinary action upon my license to practice as a real estate appraiser in the State of Idaho.

2. I understand that I have the right to a full and complete hearing; the right to confront and cross-examine witnesses; the right to present evidence or to call witnesses, or to so testify myself; the right to reconsideration; the right to appeal; and all rights accorded by the Administrative Procedure Act of the State of Idaho and the laws and rules governing the practice of real estate appraising in the State of Idaho. I hereby freely and voluntarily waive these rights in order to enter into this stipulation as a resolution of the pending allegations.

3. I understand that in signing this consent order I am enabling the Board to impose disciplinary action upon my license without further process.

**C.**

Based upon the foregoing stipulation, it is agreed that the Board may issue a decision and order upon this stipulation whereby:

1. Respondent agrees to accept a reprimand by the Board for failing to ensure that his appraisal of the Subject Property complied with USPAP Standards.

2. Respondent shall pay investigative costs and attorney fees in the amount of Two Thousand and No/100 Dollars (\$2,000.00) within ninety (90) days of the entry of the Board's Order.

3. Respondent shall take a continuing education course in Highest and Best Use from a Board-approved provider within one (1) year from the date of entry of the Board's Order and shall take and pass any examinations given at the conclusion of the course. Respondent shall submit proof of attendance and proof that he passed any given examinations within 30 days of attendance. If no examinations were given at the conclusion of the class, Respondent shall submit a letter from the course instructor stating that no examinations were given. Said continuing education shall be included in any continuing education Respondent is required to obtain to maintain his license.

4. Respondent's License No. CGA-245 expires April 24, 2006. Respondent agrees not to renew License No. CGA-245 for at least one (1) year after its expiration date, or until April 24, 2007.

5. All costs associated with compliance with the terms of this stipulation are the sole responsibility of Respondent.

6. The violation of any of the terms of this Stipulation by Respondent will warrant further Board action. The Board therefore retains jurisdiction over this proceeding until all matters are finally resolved as set forth in this Stipulation.

#### **D.**

1. It is hereby agreed between the parties that this Stipulation shall be presented to the Board with a recommendation for approval from the Deputy Attorney General responsible for prosecution before the Board at the next regularly scheduled meeting of the Board.

2. Respondent understands that the Board is free to accept, modify with

Respondent's approval, or reject this Stipulation, and if rejected by the Board, a formal complaint may be filed against Respondent. Respondent hereby agrees to waive any right Respondent may have to challenge the impartiality of the Board to hear the disciplinary complaint if, after review by the Board, this Stipulation is rejected.

3. If the Stipulation is not accepted by the Board, it shall be regarded as null and void. Admissions by Respondent in the Stipulation will not be regarded as evidence against Respondent at the subsequent disciplinary hearing.

4. The Consent Order shall not become effective until it has been approved by a majority of the Board and endorsed by a representative member of the Board.

5. Any failure on the part of Respondent to timely and completely comply with any term or condition herein shall be deemed a default.

6. Any default of this Stipulation and Consent Order shall be considered a violation of Idaho Code § 54-4107. If Respondent violates or fails to comply with this Stipulation and Consent Order, the Board may impose additional discipline pursuant to the following procedure:

a. The Chief of the Bureau of Occupational Licenses shall schedule a hearing before the Board. Within twenty-one (21) days after the notice of hearing and charges is served, Respondent shall submit a response to the allegations. If Respondent does not submit a timely response to the Board, the allegations will be deemed admitted.

b. At the hearing before the Board upon default, the Board and Respondent may submit affidavits made on personal knowledge and argument based upon the record in support of their positions. Unless otherwise ordered by the Board, the evidentiary record before the Board shall be limited to such affidavits and this Stipulation and Consent Order. Respondent waives a hearing before the Board on the facts and substantive matters related to the violations described in Section A, and waives discovery, cross-examination of adverse witnesses, and other procedures governing administrative hearings or civil trials.

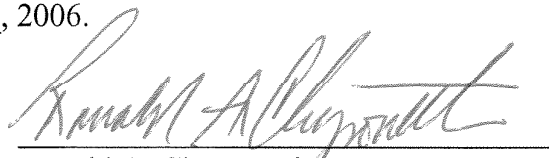
c. At the hearing, the Board will determine whether to impose additional disciplinary action, which may include conditions or limitations upon Respondent's practice or suspension or revocation of Respondent's license.

7. The Board shall have the right to make full disclosure of this Stipulation and Consent Order and the underlying facts relating hereto to any state, agency or individual requesting information subject to any applicable provisions of the Idaho Public Records Act, title 9, chapter 3, Idaho Code.

8. This Stipulation and Consent Order contains the entire agreement between the parties, and Respondent is not relying on any other agreement or representation of any kind, verbal or otherwise.

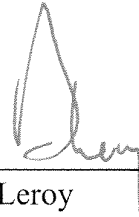
I have read the above stipulation fully and have had the opportunity to discuss it with legal counsel. I understand that by its terms I will be waiving certain rights accorded me under Idaho law. I understand that the Board may either approve this stipulation as proposed, approve it subject to specified changes, or reject it. I understand that, if approved as proposed, the Board will issue an Order on this stipulation according to the aforementioned terms, and I hereby agree to the above stipulation for settlement. I understand that if the Board approves this stipulation subject to changes, and the changes are acceptable to me, the stipulation will take effect and an order modifying the terms of the stipulation will be issued. If the changes are unacceptable to me or the Board rejects this stipulation, it will be of no effect.

DATED this 2 day of FEB, 2006.

  
\_\_\_\_\_  
Ronald A. Chynoweth  
Respondent

I concur in this stipulation and order.

DATED this 6<sup>th</sup> day of February, 2006.




David H. Leroy  
Attorney for Respondent

I concur in this stipulation and order.

DATED this 6<sup>th</sup> day of February, 2006.


STATE OF IDAHO  
OFFICE OF THE ATTORNEY GENERAL

By   
Emily A. Mac Master  
Deputy Attorney General

### ORDER

Pursuant to Idaho Code § 54-4106, the foregoing is adopted as the decision of the Board of Real Estate Appraisers in this matter and shall be effective on the 13<sup>th</sup> day of February, 2006. **IT IS SO ORDERED.**

IDAHO STATE BOARD  
OF REAL ESTATE APPRAISERS

By   
Henri LeMoyne, Chair

## CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on this 13<sup>th</sup> day of February, 2006, I caused to be served a true and correct copy of the foregoing by the following ~~method~~ to:

Ronald A. Chynoweth  
P.O. Box 1236  
Enumclaw, WA 98022

- ☒ U.S. Mail
- ☐ Hand Delivery
- ☒ Certified Mail, Return Receipt Requested
- ☐ Overnight Mail
- ☐ Facsimile: \_\_\_\_\_
- ☐ Statehouse Mail

David H. Leroy  
Attorney at Law  
P.O. Box 193  
Boise, ID 83701


- ☒ U.S. Mail
- ☐ Hand Delivery
- ☐ Certified Mail, Return Receipt Requested
- ☐ Overnight Mail
- ☐ Facsimile: \_\_\_\_\_
- ☐ Statehouse Mail

Emily A. Mac Master  
Deputy Attorney General  
P.O. Box 83720  
Boise, ID 83720-0010

- ☐ U.S. Mail
- ☐ Hand Delivery
- ☐ Certified Mail, Return Receipt Requested
- ☐ Overnight Mail
- ☐ Facsimile: \_\_\_\_\_
- ☒ Statehouse Mail

Susan E. Buxton  
MOORE SMITH BUXTON & TURCKE  
225 N. Ninth Street, Suite 420  
Boise, ID 83702

- ☒ U.S. Mail
- ☐ Hand Delivery
- ☐ Certified Mail, Return Receipt Requested
- ☐ Overnight Mail
- ☐ Facsimile: \_\_\_\_\_
- ☐ Statehouse Mail

  
Rayola Jacobsen, Chief  
Bureau of Occupational Licenses